

ARIZONA STATE RETIREMENT SYSTEM

Financial Horizons

FALL 2000

Letter from the Director

Dear Members:

We are pleased to present your 2000 Annual Benefit Statement included with this newsletter. Your statement provides information about benefits that you may be eligible to receive under the Arizona State Retirement System (ASRS). It also contains valuable information that can help you plan for the future. Share this information with your family and keep it in a safe place with your other important documents.

In addition, the ASRS recommends that you request an estimate of your Social Security benefits from the Social Security Administration about every three years. This will allow you to verify your work and salary history for Social Security and give you an idea of your benefits. You can request a Social Security estimate by calling (800) 772-1213.

You will be happy to know that the ASRS investment portfolio has generated outstanding performance. The total fund returns for the period ending June 30, 2000, was 10.0% for one year. See the graph on page 2 to see the historical rate of return. Partly as a result of our investment performance, the Arizona State Retirement System continues to offer one of the finest public employee retirement programs in the country.

LeRoy Gilbertson
Director

We Have a New Look!

In an effort to provide our readers with a more contemporary Newsletter, we have changed the name, format and overall look of the publication. Look for more changes on our website located at www.asrs.state.az.us! As always, we welcome comments and suggestions from our readers.

Please write: Arizona State Retirement System
Attention: Stephanie Marries, Public Information Officer
P.O. Box 33910
Phoenix, AZ 85067-3910

THE ASRS MISSION

The mission of the ASRS is to contribute toward its members' long-term financial security by providing retirement, disability, survivors' and health insurance benefits; and by counseling and disseminating information to its members.

Furthermore, the mission of the ASRS website is to provide timely and useful information on-line to ASRS members, the Arizona State Legislature, Governor's Office, employers, staff, vendors and the public.

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Retirement Board

Dr. Chuck Essigs, Chairman, Mesa
Educator; term expires 2001

Jim Bruner, Vice-Chairman, Scottsdale
Public; term expires 2002

Dr. Merlin K. DuVal, Phoenix
Retired; term expires 2002

Bonnie Gonzalez, Flagstaff
State employee; term expires 2003

Jim Jenkins, Scottsdale
Political Subdivision;
term expires 2002

Alan Maguire, Phoenix
Member at large; term expires 2003

Norm Miller, Phoenix
Public; term expires 2001

Karl L. Polen, Phoenix
Public; term expires 2001

Ray Rottas, Paradise Valley
Public; term expires 2003

Administration

LeRoy "Gil" Gilbertson, Director

Paul Matson, Chief Investment Officer

Anthony Guarino, Deputy Director,
Chief Operations Officer

Tom Augherton
Deputy Director, External Operations

RETIREMENT WORKSHOPS

The following is a list of upcoming workshops being held in Phoenix and Tucson. **Due to limited space, advance registration is required.** Please call (602) 240-2000 in metro Phoenix, (520) 239-3100 in the Tucson area or toll-free outside metro Phoenix and Tucson at 1 (800) 621-3778, to register.

Workshops are designed for members who are retiring in two to five years. Each session is approximately three hours in length.

If you are five or more years from retirement, see "Pre-retirement Seminars" on the next page.

OCTOBER

Saturday, Oct. 14, 2000

9:00 AM

ASRS Phoenix Board Room

3300 N. Central Ave., 10th Floor

Thursday, Oct. 26, 2000

9:00 AM

Mesa Public Schools

546 N. Stapley Drive

NOVEMBER

Saturday, Nov. 4, 2000

1:00 PM

ASRS Phoenix Board Room

3300 N. Central Ave., 10th Floor

Tuesday, Nov. 28, 2000

9:00 AM

Glendale Elementary School Dist.

Board Room

7301 N. 58th Avenue

DECEMBER

Saturday, Dec. 2, 2000

9:00 AM

ASRS Phoenix Board Room

3300 N. Central Ave., 10th Floor

Thursday, Dec. 21, 2000

9:00 AM

ASRS Phoenix Board Room

3300 N. Central Ave., 10th Floor

Thursday, Dec. 21, 2000

2:00 PM

ASRS Tucson Board Room

7660 E. Broadway Blvd., Suite 108

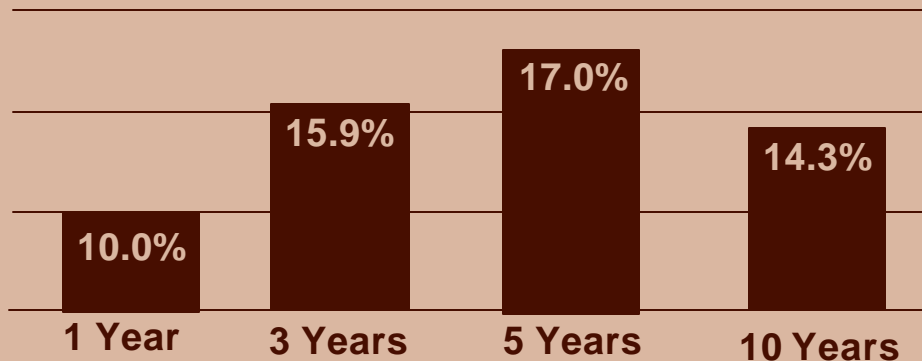
Social Security Full Retirement Age Changes

The usual full retirement age for individuals retiring now is age 65. The full retirement age, starting in the year 2003, will be increased in gradual steps. See the chart below showing these increases. Age To Receive Full Social Security Benefits:

<u>Year of Birth</u>	<u>Full Retirement Age</u>
1937	65
1938	65 & 2 months
1939	65 & 4 months
1940	65 & 6 months
1941	65 & 8 months
1942	65 & 10 months
1943-1954	66
1955	66 & 2 months
1956	66 & 4 months
1957	66 & 6 months
1958	66 & 8 months
1959	66 & 10 months
1960 & Later	67

ASRS Investment Rates of Return

The ASRS continues to benefit from impressive rates of return. This graph reflects the rates of return for the period ending June 30, 2000.



Annual Retirement, Long Term Disability (LTD) and Retiree Health Insurance Supplement Contribution Amounts

The columns below show the amount paid annually in contributions at different salary levels.

Annual Salary	Employee	Employer
	Contributions = 2.66% (Retirement + LTD)	Contributions = 2.66% (Retirement + LTD + Retiree Health Insurance Supplement)
\$ 5,000.00	\$ 133.00	\$ 133.00
\$ 7,500.00	\$ 199.50	\$ 199.50
\$10,000.00	\$ 266.00	\$ 266.00
\$12,500.00	\$ 332.50	\$ 332.50
\$15,000.00	\$ 399.00	\$ 399.00
\$17,500.00	\$ 465.50	\$ 465.50
\$20,000.00	\$ 532.00	\$ 532.00
\$22,500.00	\$ 598.50	\$ 598.50
\$25,000.00	\$ 665.00	\$ 665.00
\$27,500.00	\$ 731.50	\$ 731.50
\$30,000.00	\$ 798.00	\$ 798.00
\$32,500.00	\$ 864.50	\$ 864.50
\$35,000.00	\$ 931.00	\$ 931.00
\$37,500.00	\$ 997.50	\$ 997.50
\$40,000.00	\$ 1,064.00	\$ 1,064.00
\$42,500.00	\$ 1,130.50	\$ 1,130.50
\$45,000.00	\$ 1,197.00	\$ 1,197.00
\$47,500.00	\$ 1,263.50	\$ 1,263.50
\$50,000.00	\$ 1,330.00	\$ 1,330.00
\$52,500.00	\$ 1,396.50	\$ 1,396.50
\$55,000.00	\$ 1,463.00	\$ 1,463.00
\$57,500.00	\$ 1,529.50	\$ 1,529.50
\$60,000.00	\$ 1,596.00	\$ 1,596.00
\$62,500.00	\$ 1,662.50	\$ 1,662.50
\$65,000.00	\$ 1,729.00	\$ 1,729.00
\$67,500.00	\$ 1,795.50	\$ 1,795.50
\$70,000.00	\$ 1,862.00	\$ 1,862.00
\$72,500.00	\$ 1,928.50	\$ 1,928.50
\$75,000.00	\$ 1,995.00	\$ 1,995.00
\$77,500.00	\$ 2,061.50	\$ 2,061.50
\$80,000.00	\$ 2,128.00	\$ 2,128.00
\$82,500.00	\$ 2,194.50	\$ 2,194.50
\$85,000.00	\$ 2,261.00	\$ 2,261.00
\$87,500.00	\$ 2,327.50	\$ 2,327.50
\$90,000.00	\$ 2,394.00	\$ 2,394.00
\$92,500.00	\$ 2,460.50	\$ 2,460.50

2000 BENEFIT STATEMENTS

Included in this issue of *Financial Horizons*, you will find your 2000 Arizona State Retirement System (ASRS) Annual Benefit Statement. For more information on understanding your annual benefit statement, please refer to the details on the reverse side of the statement. You may also refer to "Understanding your Annual Benefit Statement" under the "What's New" tab on the ASRS web site at www.asrs.state.az.us

PRE-RETIREMENT SEMINARS

The following is a list of upcoming pre-retirement seminars. **Due to limited space, advance registration is required.** Please call (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson, or toll-free outside metro Phoenix and Tucson at (800) 621-3778, to register. These seminars are designed for members who are five or more years away from retirement.

Tuesday, Oct. 17, 2000

ASRS Tucson Board Room
7660 E. Broadway Blvd.,
Suite 108
9 AM to 3 PM

Saturday, Oct. 21, 2000

ASRS Phoenix Board Room
3300 N. Central Ave., 10th Floor
9 AM to 3 PM

Thursday, Nov. 16, 2000

ASRS Tucson Board Room
7660 E. Broadway Blvd.,
Suite 108
9 AM to 3 PM

Saturday, Nov. 18, 2000

ASRS Phoenix Board Room
3300 N. Central Ave., 10th Floor
9 AM to 3 PM

Wednesday, Nov. 29, 2000

ASRS Phoenix Board Room
3300 N. Central Ave., 10th Floor
9 AM to 3 PM

Saturday, Dec. 16, 2000

ASRS Phoenix Board Room
3300 N. Central Ave., 10th Floor
9AM to 3 PM

Saturday, Dec. 16, 2000

ASRS Tucson Board Room
7660 E. Broadway Blvd.,
Suite 108
9 AM to 3 PM

COMMENTS?

The Arizona State Retirement System continues to appreciate your comments and suggestions. We encourage you to write ASRS Director, LeRoy Gilbertson with your concerns. Please include your name, telephone number and Social Security number on all correspondence. Thank you for your input.

Send letters to:
LeRoy Gilbertson, Director
Arizona State Retirement System
P.O. Box 33910
Phoenix, AZ 85067-3910

ASRS *Financial Horizons* is published quarterly for retired and non-retired members of the Arizona State Retirement System. We welcome letters from our readers and encourage you to address your comments to:

Stephanie Marries, Editor
Financial Horizons
P.O. Box 33910
Phoenix, AZ 85067-3910

The ASRS complies with the *Americans with Disabilities Act of 1990*. This newsletter is available in an alternate format upon request. Contact Maria Antongiorgi, ADA Coordinator, at (602) 240-2139. Information in the newsletter about retirement laws or policies is only a guide. If a conflict arises between information contained in the newsletter and the law, the law takes precedence.

CONTACT US!

ON THE WEB:

www.asrs.state.az.us

PHOENIX OFFICE:

3300 North Central Avenue
Post Office Box 33910
Phoenix, AZ 85067-3910
(602) 240-2000

TUCSON OFFICE:

7660 East Broadway Boulevard
Tucson, AZ 85710-3776
(520) 239-3100

OUTSIDE METRO PHOENIX AND TUCSON:

Call Toll Free at (800) 621-3778




President Clinton Signs “Freedom to Work Act”

President Clinton signed legislation on April 7 to allow older workers who have reached “full retirement age” for social security (currently age 65) to work after retirement and receive their full social security benefits. The “Senior Citizens’ Freedom to Work Act” was passed unanimously by Congress. Retirees can now work after age 65 without a reduction in the social security benefits.

The new law is effective retroactive January 1, 2000. The Social Security Administration (SSA) said that social security beneficiaries would receive any retroactive payments in May and the regular, unreduced, monthly benefits beginning in June. The changes will be made automatically, so there is no need to contact the SSA.

Improved Telephone Service

The Arizona State Retirement System now has a text telephone (TTY) device, which allows us to provide better customer support to our hearing and speech impaired members. Our TTY device allows us to make and receive TTY calls, Voice Carry Over (VCO) calls, and Hearing Carry Over (HCO) calls.

-  A TTY call is when both parties type and read the conversation.
-  A VCO call is when individuals cannot hear well but wish to speak for themselves; one person speaks and reads responses and the other person listens and types.
-  A HCO call is when individuals can hear but are speech impaired; one person types and then listens to the other person’s reply.

You may reach the Arizona State Retirement System’s TTY device by dialing (602) 240-5333.